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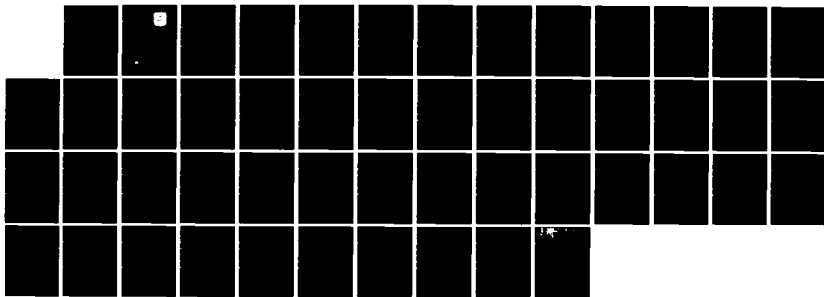
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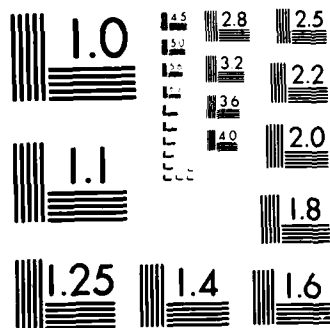
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# STUDY PROJECT

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IS US AID TO ISRAEL JUSTIFIED AT THE 1982 LEVELS?

**BY**

ROBERT P. MCCLENDON  
COMMANDER, USN

7 JUNE 1983



US ARMY WAR COLLEGE, CARLISLE BARRACKS, PA 17013

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USAWC MILITARY STUDIES PROGRAM

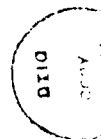
IS US AID TO ISRAEL JUSTIFIED AT THE 1982 LEVELS?

INDIVIDUAL STUDY PROJECT

by

Commander Robert P. McClendon  
USN

US Army War College  
Carlisle Barracks, Pennsylvania 17013  
7 June 1983



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# ABSTRACT

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## IS US AID TO ISRAEL JUSTIFIED AT THE 1982 LEVELS?

### INTRODUCTION

1982 was a year of severe hardship to many in the United States. The number of persons affected was unusually large due to the extended second of two economic recessions, the first having occurred in mid-1980 with the second close on its heels in late 1981 and lasting through 1982. Unemployment in the US was the highest since 1941 and the average length of unemployment (18 weeks) was a post-World War II record.<sup>1</sup> According to the President's Report on Small Business, 90 percent of the employment loss was in the large mining and manufacturing industries. The "small" business which suffered correspondingly heavy drops in employment, sales and output was the construction industry. The federal government became the primary borrower in the credit market. (By the third quarter of 1982, federal borrowing was \$219 billion as compared with \$86 billion the year before.)<sup>2</sup>

The 1979-1982 period is seen as the longest period of flat growth compared to all the recessions since World War II.<sup>3</sup> Between late 1981 and late 1982, the number of business bankruptcies increased by 38 percent. 1982 business bankruptcies numbered 65,807 and business failures totaled 25,346.<sup>4</sup> The year to year decline in GNP from 1981 to 1982 was 1.8 percent of an annual GNP of \$1.475 trillion.<sup>5</sup> During the first six months of 1982, interest costs accounted for 14.5 percent of the total federal budget compared to an average of 10-11 percent in 1978 to 1980. State and local governments were also unable to provide much relief. In 1982, local government costs were up 11 percent but revenues were up only 8.6 percent. Of the municipalities polled, 71 percent raised municipal fees in 1982 and 38



percent began charging for many services that were previously free. Of 41 states surveyed, only 4 had avoided initiating austerity budgets, while 34 of the 41 had performed budget cuts and 22 had raised taxes.<sup>6</sup> The last two years (1981-1982) have been marked by highly visible and regular "gnashing of teeth" in our government over cuts required in defense budgets, retirement plans, US developments in space, and practically every other aspect of the public domain in the United States.

At the same time, international news media including newspapers, magazines, television and radio kept us up to date with almost daily reports from the Middle East. These included but were by no means limited to:

a. The Israeli attack on an Iraqi nuclear facility on 7 June 1981. The attack was conducted with US-manufactured aircraft and US armament in a manner not approved by the US government. Further, the attack was conducted in a manner which caused the Israeli force to overfly Saudi Arabia without permission;

b. Two separate invasions of Lebanon, the second in June of 1982 which led to a highly publicized massacre of many civilians in September, 1982. This followed a massive and very devastating attack on portions of West Beirut;

c. The deposing by Israel of several locally-elected Arab mayors in West Bank communities;

d. Refusal by Israel to demonstrate significant willingness to leave Lebanon, even after the US had transported PLO members out of the country;

e. Lack of progress in the Camp David-related peace talks with Egypt although Israeli withdrawal from the Sinai was conducted by Israel, as agreed, in April, 1982. According to most accounts, the primary impediment to further progress has been Israeli Prime Minister Begin's rigidity

regarding settlements in the West Bank/Gaza strip areas. During the period 1980 through 1982, not only did the settlements proliferate but they were subsidized by the Israeli government. (The US position has consistently been against Israeli settlements in the occupied territories.)

f. The question of Israeli government subsidization of settlements, and family size or the birth of additional Israeli children and many other aspects of public and private life in Israel led to other significant questions regarding the US-Israel relationship: (1) why are we supporting them if they are moving counter to our national interests (the settlements); (2) if they can afford to heavily subsidize non-defense items, why are we sending them so much aid; (3) why are we providing them with support toward welfare state status when our own people are so much in need? (In the author's view, since our economic support funding (ESF) to Israel is paid in cash, we are obviously supporting all the above, either directly or indirectly.)

The approved 1983 assistance to Israel is the highest in four years--\$2.498 billion. Of that, \$750 million is already forgiven foreign military sales (military equipment) and \$785 million is cash grant.<sup>7</sup> Related to our relationship with Israel is the expenditure of \$95 million in emergency relief funding to Lebanon in 1982. For 1983, \$300 million more was approved to help Lebanon rebuild following Israel's 1982 attack.

This paper will, in a very limited scope, examine the history and some of the dynamics of the US-Israeli relationship with a particular emphasis on the evolution of US financial support for Israel. In question are the process for determining and the continued justification of the amounts of US aid to Israel, especially under the changing circumstances inside the US and internationally, within the past few years.

## HISTORICAL REVIEW

In order to better understand the complexities of current US involvement with Israel, it is helpful to at least review the major points of historical significance which led to the current circumstances.

The first World Zionist Congress assembled in Basel, Switzerland in 1897 at the initiative of Theodore Herzl and declared as its objective the establishment of a Jewish National Home in Palestine. An organization was set up to systematically pursue the objective. Since Palestine was then under the control of the Ottoman Turks, Herzl took the proposal to the Ottoman sultan who, while not offended with the proposal, listened politely but turned it down. While attempting third party diplomatic efforts to change the Ottoman position, thousands of Jews began to join those already in Palestine in order to establish a much larger Jewish society. Since the Ottoman Empire, allied with Germany and Austria in World War I, lost its regional influence to Britain, the Zionists focused their nation-building requests upon the British. On 2 November 1917, the British issued the "Balfour Declaration" which promised, in part, that Britain would use its "best endeavors" to help achieve the objective of Palestine as a national home for the Jewish people but also clearly said that nothing would be done which would prejudice the rights of existing non-Jewish communities in Palestine. This was approved by Britain's allies and incorporated in the terms of the Mandate over Palestine granted Britain by the League of Nations. By the time the Balfour Declaration had been issued, there had been an Arab nationalist movement to gain control over those Arab-inhabited territories formerly held by the Ottomans. The British High Commissioner in Egypt promised the Arab leaders the desired independence and control in most of the territories if they, in turn, would lead a revolt against the Ottoman

authorities. Palestine was not specifically or clearly separated from the territories to be returned to Arab control but the British felt that the Balfour Declaration would be supported by the Arabs in return for other benefits gained. There were then approximately 56,000 Jews and 600,000 Arabs in Palestine. For several years following, there was a deceptive quietness from the Arab Nationalist Movement which led the British to conclude that the "Jewish National Home" experiment was acceptable. What had occurred, however, was that after riots in the early 1920s, the Arab territories had been broken into several small, weak political entities under British and French control and the "Arabs" were impeded in their effort to present a united voice of disapproval regarding the situation in Palestine. Massive immigration in the early 1930s led to renewed resistance in the mid-1930s and, eventually, to general revolt.

In 1937, the Palestinian Arabs revolted, country-wide, against British authority and it became obvious that the Mandate could not be applied without constant and massive force against the Arabs. Also, the effects of Hitler's rise to power in Germany had accelerated immigration to the area and the Jewish population was up to approximately 400,000 by 1937. General opinion and records indicate that the sheer numbers involved ruled out cancellation of the Jewish Homeland idea. The British recommended a partition of Palestine into an Arab state, a Jewish state and a British enclave but the Arabs insisted upon full rights to the whole of Palestine. From a 1939 conference in London came a policy known as the "White Paper of May 1939" which very nearly reversed the Balfour Declaration in that it "froze" the size of the Jewish establishment in Palestine and envisaged the creation of an Arab state of Palestine where Jews would get guaranteed rights as a minority. The Jewish community was in complete disagreement with this position but the activities of World War II precluded any effective large scale resistance to

the proposal. Terrorist attacks were conducted against British police and military units. When, after the war, the British continued to pursue the White Paper policy, Jewish resistance became more intense and was successfully integrated with a massive wave of emotionalism regarding the horrors of the Jewish persecution in the Nazi holocaust. British authorities were successfully pressured into permitting immediate immigration of large numbers of concentration camp survivors thus further raising the Jewish population ratio. In 1947, the problem was turned over to the United Nations for resolution, and eleven unbiased country representatives recommended either partition or the establishment of a federal state with autonomous Arab and Jewish provinces. Once again, the Arabs refused to consider anything other than complete Arab control of Palestine. Unable to ignore the large Jewish presence in Palestine, the statutory majority of the commission voted for partition since it required less Arab cooperation than did the federal state option. The vote approving partition occurred on 29 November 1947.

Having failed in their effort to gain complete control, the Palestinian Arabs then resorted to armed violence to prevent partition. They were initially so successful that the US, which had lobbied for partition, became convinced of the impracticability of the plan and submitted a plan of trusteeship to the United Nations General Assembly in March 1948. Meanwhile, aided by Russian arms, the Palestinian Jews soundly defeated the Palestinian Arabs and brought most of the territory allotted to them (the Jews) in the partition plan under their control.<sup>8</sup> On 15 May 1948, the establishment of the State of Israel was proclaimed. This occurred at 6 PM, 14 May, Washington, DC time and at 6:11 PM the White House announced recognition of the new state. The United States made no promissory statements other than those of basic support and no treaties were signed between the US and

Israel. Shortly after the British departure in mid-1948, multiple Arab armies invaded Palestine and were generally defeated by Israel who then gained control of even more of Palestine. This was generated by Arab action and the United States had no significant part.

#### DEVELOPMENT OF THE JEWISH SOCIETY IN THE UNITED STATES

In his book, Jews and American Politics, Steven D. Isaacs described a large body of Jews, over two and a half million, who in fear left the discrimination and persecution of Europe between 1880 and 1924 to seek refuge in America. These people, he says, were both united and isolated by their unique experiences as a society which was motivated by fear to a high level of political activity.<sup>9</sup> Murray Friedman states "as outsiders in so many of the countries in which they have lived, Jews have always had to create machinery for dealing with the broader society."<sup>10</sup> With that statement as a "given," he goes on to explain that these activities are in the Jewish "defense" and that Jews commonly work through "community relations" committees. The "relations" involved are those between the Jewish and all other communities. Cited as the early agencies of this type are the American Jewish Committee, formed in 1906, and the Anti-Defamation League of B'nai B'rith, formed in 1913. There are now at least eleven such national organizations with more than 100 local councils in cities throughout the nation. These agencies were formed to improve the image of the Jewish people among the other citizens of the country. One of the primary points of the article is that, consciously or unconsciously, early twentieth century American Jews feared anti-Semitism and discrimination to the point that rather than deal exclusively with those problems as they affected just the Jewish community, several individuals of the Jewish community took on the larger problems of national social inequities. Examples include early

Jewish leadership in the NAACP as well as widespread political activity in the areas of national education, and, in general, toward a civic equality devoid of discrimination. Two characteristics of the early Jewish agencies were given as prime contributors to their widespread success--the identification of Jewish causes with the "American sense of fair play" and the premise that "an attack on one group was an attack on all." It was clearly pointed out that several of the early Jewish leaders were opposed to the growing power of the state over the individual and many if not most were opposed to Jewish nationalism because of their fear that Zionism would raise the issue of "dual loyalty" for American Jews.

By the 1930s and 40s, a group referred to by Friedman as "full-time professionals" began to take over the Jewish defense organizations. They are described as the "products of eastern European immigration" who had experienced poverty and discrimination first hand and were now lawyers, psychologists or social workers who were much more egalitarian than their predecessors. Their primary thrust was outward, aggressive and obsession-like in their pursuit of wiping out prejudice, intolerance and discrimination. The American Jewish Committee, according to Friedman, sponsored a renowned series, Studies in Prejudice, the first volume of which argued strongly that anti-Semitism was indicative of an abnormal psychological pattern in both the individual and society. During approximately the same period, the Anti-Defamation League (ADL) was conducting a nationwide educational campaign which emphasized "brotherhood" within the human family while the American Jewish Congress concentrated upon litigation to bring the full force of national government against all forms of discrimination. According to Charles Mc. Mathias, Jr.,

the growing acceptance and rising self-confidence of Jews during the Roosevelt era encouraged an increasingly active role. What galvanized Jewish energies, however, were the Nazi holocaust as

its enormity became known, and above all, the birth and subsequent tribulations of an embattled, imperiled State of Israel.<sup>11</sup>

John Snetsinger provides a most interesting description of the dilemma which faced President Truman surrounding the official recognition of the State of Israel in 1948 and the associated American Jewish political pressure. Among several examples cited, one involves President Truman's refusal to see the then prospective first President of Israel until American Jewish leaders convinced him (President Truman) otherwise through the use of his former business partner as an intermediary. Also described were some of the political maneuvers conducted by the Republican and Democratic parties regarding the political advantages of rapid recognition of the new state of Israel.<sup>12</sup> Dean Acheson, a Truman cabinet member who opposed the establishment of Israel, said of the pro-Zionists in the administration, "they had allowed, so I thought, their emotion to obscure the totality of American interests."<sup>13</sup> The intensity of political pressure brought by the Jewish interests to the highest levels of US government is reflected in President Truman's statement that he "found it necessary to give instructions" that he "did not want to be approached by anymore spokesmen for the extreme Zionist cause."<sup>14</sup> Regardless, he found himself repeatedly aligned with those of his advisers who stressed the importance of the Jewish vote. According to Mathias,

the decision making as well as the decisions of the Truman administration leading to the recognition of Israel stand as a paradigm of middle east policymaking over the three decades following. With the exception of the Eisenhower Administration, which virtually compelled Israel's withdrawal from Sinai after the 1956 war, American Presidents and to an even greater degree Senators and Representatives, have been subjected to recurrent pressures from what has come to be known as the Israel lobby. For the most part, they have been responsive, and for reasons not always related either to personal conviction or careful reflection on the national interest.<sup>15</sup>

From this point until the mid-1960s, the American Jewish organizations were in what has been referred to as their "golden age."<sup>16</sup> Confident from



previous experiences in advancing various national human and civil rights causes, and feeling somewhat less vulnerable due to generally improved economic positions, several Jewish organizations stepped out smartly in their campaigns for improved society for Jews and all Americans. It seems that their personal experiences during the Great Depression combined with the lessons of the Jewish heritage led this group to a political persuasion of the liberal left and convinced them that liberalism was to the benefit of all Americans. Due to their skepticism regarding the fairness of a free enterprise system or likelihood of unbridled capitalism equitably rewarding society, these organizations pushed hard and almost directly toward an American welfare state. Included in this drive to eliminate discrimination and modify institutional society as necessary to improve "fairness," there was also a major effort continued toward more pronounced separation of church and state, presumably in the honest belief that weakening "the church" would make things safer for non-believers, religious dissenters and Jews. The primary "weapons" used against the "abuses" of the system were psychological and sociological in nature and were surprisingly successful considering the degree of social change attempted in a relatively short period. It is also significant to note that during the period of greatest success, early 1950s to the mid-1960s, the US economy was strong and the political climate was conducive to the programs of the "Great Society," including those which moved the US closer to a "welfare state."

#### DEVELOPMENT OF THE JEWISH LOBBY

Just as portions of the Jewish community "organized" to achieve group security and to effectively present their views on subjects in the United States society, so was there an organization formed for the purpose of seeking aid for the new State of Israel. In 1950, I. L. Kenen formed the

American Zionist Council solely for this purpose. Well qualified, Kenen had been the executive director of the American Jewish Conference, a Washington based group which worked for the establishment of a Jewish state in Palestine. He then served for a year as press officer of the Jewish Agency before becoming the United Nations General Assembly spokesman for the new Israeli delegation. Kenen is quoted as saying that within two months of his arrival in 1951, he "had organized 36 Senators and 150 House Members behind a grant for Israel."<sup>17</sup> This, he says, was in opposition to the wishes of the State Department. Also within a short period after his arrival, Kenen began to consolidate the Washington representatives of many other Jewish organizations such as the older anti-Defamation League of B'nai B'rith, the American Jewish Congress, and others. He was one of the early and most successful promoters of achieving success in Congress through intense constituent activity which was orchestrated by Jewish leaders in Washington.

In 1954, the American Zionist Council became the American Israel Public Affairs Committee (AIPAC) and has since been the Jewish lobbying group that concentrates on Congress. In the 1960s, AIPAC began the regular policy of bringing constituents to Washington to appeal directly to lawmakers in order to "present the desires of the American public" (emphasis mine). AIPAC was described in 1978 as having 11,000 members and an annual budget of \$750,000, most of which was spent in working in and with Congress primarily in the areas of entertaining and in the preparation and distribution of specific reports, speeches, and statistics favorable to their cause. The organization is especially well-known for being able to rapidly generate large numbers (thousands) of telegrams and/or letters from constituents praising or chastising individual congressmen into the desired action. As are many Jewish organizations, AIPAC is quick to play upon emotionalism (their 1978 mailing of

Holocaust to all members of Congress during pro-Arab arms proposals by the Administration) and charges in the media of "anti-Semitism" against those who take a position other than strongly pro-Israel.

While AIPAC functions in Congress, the other primary component of the Jewish lobby, the Conference of Presidents of Major Jewish Organizations, operates in the State Department and within the Executive Branch. According to the organization's president, it was born when one of the presidents of one of the Jewish councils called for an interview with the Secretary of State, John F. Dulles. It is said that upon looking at his calendar and seeing it full of different Jewish organization presidents, he recommended that all the groups get together, consolidate their views and send one representative--hence, the long but clearly descriptive title. The council now represents approximately 32 different groups which meet regularly to decide which issues will be advanced as a Jewish consensus.<sup>18</sup> Practically any issue which deals with support for Israel qualifies as a rallying point. The actions of many members of the Jewish Community to organize themselves in regards to legislation in order to further their own interests, and to do so with somewhat of a defensive mind set, is completely consistent with their history. To include Israel as their "homeland" into this sphere of group support and protection is equally consistent. Also, until the early 1970s, pro-Israel support was largely unopposed in the United States. Israel was seen by non-Jews as an "underdog" persevering against great odds to carve out or reclaim a "democracy like ours" (emphasis mine) in a harsh, non-sympathetic land that had once been theirs.

Between inception of the State of Israel and the early 1970s, the United States had its most visible (to the constituency) "foreign policy" activity happening in Europe, Korea, China, then Vietnam. Although Congress had not previously delved deeply into foreign policy and related

foreign aid arenas, several unilateral executive branch decisions during the Vietnam experience forced the Congress, through intense constituent interest, to become much more aware and active in these areas.<sup>19</sup> By that time, Jewish community "machinery" was well-meshed into the system itself and had the inside track on getting and holding the interest of Congress. As was pointed out by one mid-level State Department official, the government of Israel and the Jewish lobby had only two governments to worry about--theirs and its needs, ours and the answer to their needs. On the other hand, our government and its vast bureaucracy was attempting to be concerned with global needs while the national constituency was attempting to force it to be concerned with national "butter" and very few "guns" anywhere. As a former NSC staff member observed, the Jewish lobby and the government of Israel have another very real advantage in that our system of regular re-election allows their in-place lobbyists to become more adept, in relatively few years, at getting what they want from our Congress than is our own administration. They know the system and the players and keep their participants stable while we regularly change at least some of ours. One other factor that had an effect at this point in time was our fairly recent history (post World War II) of giving very large "foreign aid" packages to other countries (the Marshall Plan). This comprised a postwar aid "precedent."

#### THE DEVELOPMENT OF ECONOMIC FUNDING FROM THE US TO ISRAEL

Within the broad US foreign assistance program are several economic, security, development and military-related programs which are intended to support US foreign policies. Of these, the Economic Support Fund (ESF) is currently the largest in terms of money disbursed. (The ESF contained nearly \$2.6 billion or approximately 30 percent of the total foreign aid

fund in 1982.) ESF may be extended on a grant and/or loan basis and, for reasons to be discussed later, is seen as a most important tool by the executive branch.

ESF has its roots in the Mutual Security Act of 1951. Through that Act, a program of economic aid in support of military assistance was authorized in order to promote military strength among US allies. This "aid" was later designated "defense support" and, during the 1950s, went primarily to the Asian nations with Greece and Turkey receiving a portion. The Foreign Assistance Act of 1961 consolidated foreign aid activities and continued "economic aid" under the heading of "supporting assistance." The specifics of "support to sustain military" provisions were dropped and the broader statement of assistance "to support or aid economic or political stability" was adopted. Though the wording changed, the utilization continued to be connected with military activity, as the primary recipients of the 60s were South Vietnam, South Korea and Laos. In the late 1960s and early 1970s, South Vietnam accounted for over 85 percent of the program in some years. In 1971, "supporting assistance" was changed to "Security Supporting Assistance" (SSA) and was moved from the economic to the military part of the Foreign Assistance Act--with little effect on its actual usage. In 1973, Congress became concerned that SSA was being largely used for budget support purposes by the recipients and provided a "new directions" policy. This initiative emphasized the purpose of the fund to be immediate satisfaction of the needs of the mostly rural poor rather than "projects supporting infrastructure and larger capital activities in developing countries."<sup>20</sup> In 1978, the name of the program was changed again to the "Economic Support Fund" in another attempt to make clear the purpose of the funds. The Foreign Assistance Act of 1961, as amended, authorizes these funds and allows the President flexibility to determine terms and

conditions in offering ESF. Under the law, the Secretary of State is responsible for policy, and the Agency for International Development (AID) carries out the functions. The State Department approves policy and levels of aid for specific countries. While ESF terms may involve grants or loans, (the loans range from twenty-five to forty years at around 3 percent interest), the vast majority of funding to Israel has, in recent years, been in grants. Some questions have arisen regarding the flexibility of the fund. After all the effort to clarify its purpose and while law prohibits its use for military or paramilitary purposes, the bulk of it seems to go to the largest recipients of US military aid. Further, and very significant, some ESF programs are identical to activities carried under other economic aid categories where monitoring and reporting requirements are more specific. One school of thought is that the ESF is more political in what it desires to develop. It is further postulated that since Congress agrees with that contention, Congress is much less likely to cut ESF than developmental assistance requests. There is practically NO accountability requirement for ESF recipients!

Until FY 1972, Israel received no economic support funding. In FY 1972-1974, \$50 million per year in grants was provided. In FY 1975, to aid in recovery of the 1973 war, \$324.5 million in grant was provided. For FY 1976-1980, the annual average ESF was \$644.16 million with on average of \$430 million in grant! FY 1981 ESF to Israel was \$764 million, all grant, and FY 1982 ESF was \$806 million, again all grants!<sup>21</sup> In their FY 1983 requests, the State Department defined recipients of ESF as "countries of special political and security interest."<sup>22</sup> FY 1983 ESF requests for Israel for comprised 27.2 percent of total US ESF requested. For Israel, the aid is intended "to maintain economic stability and a modest level of growth in the face of economic pressures which arose because Israel must devote a large portion of

its limited resource to insuring its security."<sup>23</sup> This is an extremely large portion of our global commitment to have been developed for such a small country in such a short period.

THE DEVELOPMENT OF FOREIGN MILITARY  
SALES (FMS) ASSISTANCE TO ISRAEL

The United States has had an established FMS relationship with Israel almost since the inception of that nation. However, the US did not become a major arms supplier until after the mid-east war of 1973. Until then, the Israelis had gained their primary support from Europe in the form of tanks from Great Britain and aircraft from France. (Although the US did replace France as aircraft supplier after the Six Day War of 1967, the primary focus of US military concern was in Southeast Asia during that period.)

Specific levels of FMS assistance to Israel developed in much the same way as the ESF trends. From 1949-1970, total US FMS to Israel was only \$277.3 million--all loan. From 1971-1973, the annual FMS assistance was \$381.6 million per annual--all loan! In response to the 1973 war, the FY 1974 FMS was \$2.4827 billion with 60 percent of that in grant. For the period FY 1976-1982, total US FMS to Israel was approximately \$11 billion with approximately \$4 billion or over 1/3 in grant. (Includes \$2.2 billion in special assistance to help finance Israel's redeployment from the Sinai as a result of the Egyptian-Israeli peace treaty. It does not include an \$800 million grant to build two new Israeli airfields to replace those given up in the Sinai.) In FY 1982, combined FMS and ESF to Israel accounted for 30.8 percent of the global US foreign assistance program for that year.

## THE RELATIONSHIP BETWEEN CONGRESS AND ISRAEL, 1969 TO 1976

One particular study, Congress and Israel, conducted and published by Dr. Marvin Feuerwerker, closely examined the specifics of the relationship between Congress and Israel in the years 1969 through 1976 with an eye particularly toward the question of Congressional influence upon foreign policy.<sup>24</sup> Interestingly some of those areas that show up as relatively new trends in some aspects of his period of study appear now to be significant precedents for later decisions and practices regarding aid levels to Israel.<sup>25</sup>

As evidence of the power of Congress in affecting US policy in the Middle East, by 1975 over \$6.5 billion had been transferred to Israel, making them the highest per capita recipient of US aid in the world.<sup>26</sup> Also, due to the reasons brought forth in earlier discussion of Jewish constituency actions, the Holocaust, and the struggles of the Jews in Palestine, Israel was second only to Western Europe as a focal point for congressional interest over a period of decades. As was earlier pointed out, total US FMS support for Israel for all the years 1949-1970 was approximately \$277.3 million, all loan. Each of the years, 1971 through 1973 averaged \$381.6 million, still all loan. As was stated in public forum, President Nixon continued US commitment to Israel. Prior to the 1973 Middle East War, Nixon and then National Security Advisor Kissinger are said to have believed that Israel was the only militarily important American Middle East ally confronting the Soviet backed regimes in Egypt and Syria. Both Presidents Nixon and Ford considered substantial aid to Israel to be in the US national interest. During the 1973 war, President Nixon asked for \$2.2 billion in emergency security assistance for Israel as a means of maintaining a balance against the large scale resupply of Egypt



and Syria provided by the Soviet Union.<sup>27</sup> President Ford, during his congressional service, had shown full support for Israeli aid and during his tenure as President, he submitted his budgets totaling over \$4 billion in aid for Israel. In an address to the American Jewish committee on 13 May 1976, he said that the aid was

clearly in the national security interest of the United States. . . . America's responsibility is to encourage both sides to end the state of war that has far too long plagued the Middle East and threatened world peace.

While the Nixon and Ford administrations had raised the aid levels to Israel far above any previous marks, both Presidents were willing and able to use that aid as a lever--withholding or offering--to achieve US pursuits. It was during one of the "withholding" situations that the power and influence of AIPAC was clearly demonstrated. In March of 1975, negotiations between Israel and Egypt broke down. In frustration, Kissinger returned from the stalled negotiations and convinced President Ford to order a "reassessment" of US policy toward Israel during which the administration's aid request to Congress was delayed from March to September, 1975 and delivery was halted on already contracted defense items. It took AIPAC only three weeks to get a letter signed by seventy-six Senators, pledging full support for Israel and questioning the administration's actions. Some of the Senators privately admitted their disagreement with the spirit and wording of the letter but also admitted their unwillingness to fight the lobby.<sup>28</sup> (President Ford did not "lift" the restrictions until the Sinai II accord had been signed in September, 1975, wherein the Israelis finally agreed to conditions that had originally contributed to the stalling of the negotiations in March of that year.) It was during this period that we began to see much more mention of the importance of both sides, an Arab and Israeli, in resolving the conflict.

Another significant trend which began during this period was congressional increases to administration aid requests for Israel. For fiscal 1970-1977, Congress appropriated \$703.5 million more than requested. During that same period, "Congress slashed administration requests for worldwide assistance by about 23.5 percent."<sup>29</sup> Another trend that started in the early 1970s was the "ear-marking" of funds by Congress for specific use by Israel. Through the earmarking process, Congress removes a significant amount of flexibility that could be used as a negotiating point by the administration.<sup>30</sup> Yet another interesting practice that appeared during the early 1970s was the congressional pattern of reliably "supporting" every administration proposal of arms sales to Israel while never forcing the sale of arms. Theoretically, the tradition is that arms sales policy is a part of diplomacy which belongs primarily to the incumbent administration. Regarding Israel, Congress has at times made very strong hints that it "would support" and this, in turn, has been very useful to Israel supporters seeking further arms acquisitions. (A good example is the pre-authorized sale of F-4 Phantoms to Israel in 1970.)<sup>31</sup> This "willingness" took a totally different turn later when the administration wanted to provide arms to Arab nations. While Congress hasn't directly vetoed sales proposed to Arab nations, its intense involvement in 1975, 1976 and 1981 has helped gain for itself a greater consultative role regarding arms sales. In the final outcome, however, it is apparent that Congress has its greatest influence through foreign assistance which it almost completely controls through appropriations powers.

One of the most stimulating questions one might ask in the Washington arena is "Why is Israel different? Why do they get different treatment by Congress?" Feuerwerker's responses grouped around five basic reasons. Almost all responses contained aspects of all five sub-reasons. (Included

in discussion of each of the subsets derived in the 1976 study are the "update" comments I received in 1983.) The five groupings are character, commitment, the Holocaust, electoral interest and the US national interest.

1. Character. 1976 survey discussions around this point resulted in comments such as "they are so much like us," "they are democratic like us," "they are hard-working and friendly" and "it is one of the few nations that knows how to use foreign aid. . . . Our programs in Israel have generally succeeded."<sup>32</sup> My recent survey got the same responses, in general, with the following additions: "they are beginning to appear paranoid . . . parts of that government don't seem to want peace" and "they are taking advantage of us--now that we've helped them become militarily superior, they're becoming offensive and are implicating us because we armed and sustained them."

2. Commitment. This was perhaps the most interesting of the five subsets because of the wide spread of opinions. In 1976, the responses included: "we have a religious commitment--the hand of the Lord brought Israel to its homeland," "failure to support Israel would upset the peace in the Middle East," "we're bound by treaty," "every President since Truman has committed us" and one person said "I can't define the commitment but I do believe we have one."<sup>33</sup> Comments in 1983 included most of the above plus variations of: "I think we were committed to Israel's survival when they were outnumbered, undernourished underdogs. We were theoretically guaranteeing their defense, not their exclusive existence in the Middle East," "I feel that as soon as their military or political actions go against the stated interests of the United States, our commitment ends," and, "we have made them capable of defending themselves against any of their neighbors. I feel that they can now live in peace if they really want to work it out. Meanwhile, we've got major problems at home and I

think our 'commitment' should be refocused toward the recovery of our economy and the survival of our own citizens."

The divergent views between the earlier opinions and the 1983 viewpoints can be partially explained by the facts that:

a. The number of Arab nations that appear to actually threaten Israel today are significantly less than they were 8-10 years ago;

b. Israel has twice offensively invaded Lebanon, resulting in the requirement for US peacekeeping forces;

c. Israel has gotten adverse international media coverage almost daily ranging from "harassment" of US Marines, illegal seizure of land and establishment of settlements in occupied territories and the attack on an Iraqi nuclear reactor to armed pursuit of rock-throwing Palestinian children;

d. The US economy and the plight of individual US citizens is significantly worse than in the early 1970s; and possibly a major contributor.

e. There had been a lack of clarity all along as to what our "commitment" really is. There have been reasonably clear statements regarding our desire to make them "qualitatively and technologically superior over any potential combination of regional forces."<sup>34</sup> What has not been clearly agreed upon and adhered to is the question of to what extent?

One of the primary components of this main question has to do with the definition of "self-defense." We, the US, have basically pledged, numerous times, our support for the "security" of Israel. That, in the minds of a large portion, if not the majority of laymen, is synonymous with "defense" as opposed to "offense." Since this is such an elusive and debatable sort of issue, the question of the legal definition of "legitimate self-defense" was directed to Mr. Jones H. Michael, Deputy Legal Advisor for the

Department of State, in hearings on 15 July 1982, before the House Foreign Affairs Committee. He acknowledged the difficulties involved and directed the question to the specific context of US Arms sales and how we handle limitations on the use of arms we sell. He explained that section 4 of the Arms Export Control Act (AECA) provides that arms sold under this act will be to friendly countries "solely for internal security, and for legitimate self-defense." Further, he explained, section 3(a) requires the President to obtain the agreement of the receiving country that they will use the arms only for those purposes "authorized by Congress" (internal security and self-defense). Instead of dealing with the question of "self-defense" as a final determination, however, the Act provides that the President, and by delegation, the Secretary of State, will report to Congress when it is believed that a "substantial" violation of the arms sales agreement "may" have occurred. That report, if made, provides Congress the information needed for analysis and evaluation.

As provided by the law then, the executive branch can take action it deems appropriate and inform Congress, Congress can question and agree with executive action, urge other action or, take action on its own. The principle is that no one has to make a final legal decision regarding "self-defense." According to Mr. Michael, "it is a question of what is appropriate as a matter of policy, taking into account the interests of the United States."<sup>35</sup> After this explanation, Mr. Michael was asked if any country had ever been found ineligible for arms under this act or if there was an explanation anywhere else in our bilateral agreements with Israel defining acts of "aggression," "internal security" or "self-defense." His answer was "no" to both.<sup>36</sup>

Since there had been public debate regarding the Israeli use of US F-15s in the Iraqi reactor raid and US Cluster Bomb Units (CBUs) in Lebanon,

the question of substantiation and dealing with "violations" continued. On Wednesday, 4 August 1982, additional hearings were held to evaluate views and experiences regarding the procedures involved during a potential Israeli "violation" of the AECA in 1978. The witnesses on that date were two very well-known, acknowledged experts who had both held very influential positions in the Carter Administration, Mr. Harold Saunders, former assistant Secretary of State for Middle East Affairs and Dr. William Quandt, Senior Brookings Institute Fellow, prolific author on Middle East Affairs and former National Security Council staff member. Very detailed questions were directed to them regarding past history, its relationship to current problems and their recommendations regarding legislative improvements. They had previously worked together and were almost completely in agreement and mutually supportive of each other. They both agreed that there had been known violations but the wording of the AECA is such that a statement that there has been a violation requires automatic cut-off of aid. Due to negotiations sensitivity, it was determined that a cut-off of aid would be counter-productive so the wording of "may have been a violation" was used. (The "may have" option doesn't require any further action and, in most cases, none was taken.) There were specific cases cited where an administration "delayed" commitments but not very effectively because political pressure caused the delay to be very brief. Both agreed that once crisis negotiations were underway, cessation or reduction of aid was likely to be harmful. Both commented at length, however, that the current wording of the law badly needed revision because it means very little in its current form. Both were very concerned that the lack of action against Israel for weapons use violations had two effects, both injurious for the US:

a. Silence on the part of the US implied US agreement with Israeli actions in the eyes of the Israelis; and

b. US sponsorship of Israel was assumed by the Arab nations. On this last point, it was emphasized that lack of successful US pressure on Israel was causing increased internal pressure on the friendly governments of Egypt, Saudi Arabia and others because of their obvious lack of influence on American policy. Both witnesses discussed at great length the lack of continuity and/or a coherent strategy regarding our actions with aid in any form. Their point was that we badly need a clearly stated list of US objectives and accompanying restrictions in given circumstances so that both we and any ally receiving arms/aid know clearly how far we go together and under what circumstances we part company.<sup>37</sup> Without such agreements, "commitment" becomes a most vague and entrapping term. In the case of the CBUs, the Israelis acknowledged illegal use of them in the 1978 invasion of Lebanon. According to testimony, their defense minister claimed that he was not aware of the previously agreed upon restrictions but that the error would not be repeated. The Israelis violated the CBU agreement again in the 1982 Lebanon invasion and CBU shipments were suspended.<sup>38</sup>

3. The United States National Interest. Although one survey conducted in 1975 had indications of little "strategic" interest in Israel on the part of congressmen, the 1976 interviews did reveal some concern for Israeli's importance at the "south flank of NATO" and as a strategic deterrent against Soviet expansion in the Middle East.<sup>39</sup> Recent interviews revealed widespread, although not often coherently stated, support for strategic value in our "alliance" with Israel. Afghanistan and Iran were usually mentioned in conjunction with this "strategic alliance" but there was profound ignorance regarding the almost total lack of binding "alliance-like" agreements between the US and Israel. There was also little speculation as to exactly what or where Israel would provide "strategically." It is generally agreed, whether or not it is of "strategic" importance, that

superior US arms in the hands of superior Israeli operators have been a constant source of embarrassment to the Soviets and therefore a deterrent to the spread of Soviet arms in the region. An equally large contingent, however, felt that those very circumstances present a challenge to the Soviets that will be met as long as a third party is available to employ the Soviet product. A surprising number felt that it is in US interest to continue aid to Israel because to stop would remove our credibility as a "friend." Similarly, a reduction in current aid levels was seen by some as a "negative signal" that would be poor politics, internationally.

4. The Holocaust. The 1976 survey reflected somewhat of a "generation gap." Although it was clearly acknowledged that atrocities suffered by the Jews at the hands of the Nazis played heavily in the initial sympathy and support for a Jewish nation, it was felt by some that time had erased or covered many of the Holocaust memories and their effects on continuing US aid to Israel. Others felt that the memories are very much alive and are still having profound effect as their legacy bubbles up through the constituency to the Congress members.

According to the recent survey, the Holocaust is still very much in the minds of many, though not necessarily as a contributor to aid approval. Between 1976 and 1983, there have been countless movies, television mini-series and books written on the subject. Even as this research was being conducted, a major "Children of the Holocaust" conference/revival was held in Washington, DC for a period in excess of a week and supported by major media coverage. One simply stated purpose was "to ensure that it's not forgotten." Most accurately stated, "Holocaust effects" seem to have their greatest impact on the next and final category.

5. Electoral Interest. Far and away, this was the greatest single reason given for support of Israel, both during Dr. Feuerwerker's



research and during my 1983 "update" research. As was concluded from the 1975 studies, a large portion of congressmen feel that support for Israel is an electoral necessity which can be accomplished in a manner beneficial among Jewish supporters without being harmful among non-Jewish constituents. One unnamed legislator said "Israel succeeds in Congress for a simple reason. Two or three percent of the voters care intensely about it and the rest are uninformed and don't care." Another added,

this Israel issue is like many issues in American politics, for example, gun control and abortion. You can make alot of points with some audiences by being for Israel, but you can't make points with anybody by being against Israel.<sup>40</sup>

Further, "the Jews care enough to make their feelings known and the others don't care enough to resist." In addition to the above comments, Dr. Feuerwerger cited various studies showing high correlation between the percent of total population represented by Jews in a given congressional district and the voting record of that congressmen regarding support for Israel. There was equally high correlation between Jewish constituent support figures and the voting record/reputation as a supporter of Israel of given congressmen. Also described were the well-proven additional benefits provided by satisfied Jewish constituents--financial support and physical campaign help.<sup>41</sup> Many Jews prove themselves most valuable political allies. Other pro-Jewish comments gained in the earlier survey included:

you don't want to displease any group of constituents that you don't have to. It's not likely that Jews could affect my re-election chances but I sure don't want to experiment. Jews are a bloc, vocal and well-informed;

The only reasons I voted for the bill were aid to Israel and to \_\_\_\_ . . . . Without money for them in there, I would not support foreign aid. . . . I personally don't like military aid except for Israel.

because I got alot of flack from the Jews in my district last year when I voted against. . . . They thought my vote was a vote against Israel.

The Jews in my district pushed me hard. . . . Jews are a substantial part of the population there. Even for a Republican, they're important. You can't afford to run really poorly there.

The political vote was to favor the bill, because the only people who really care about foreign aid in my district are the Jews.

Also, quite frankly, I got alot of Jewish pressure to vote for the aid bill . . . Jews do make up a significant part of my district.

We've got to get a foreign aid bill passed and money for Israel is instrumental in helping get that bill passed. . . what it boils down to is who the member of Congress listens to. And generally he listens to the people who worked for him . . . and they expect him to be "right" on Israel, too.<sup>42</sup>

One very important additional consideration on the pro side includes the personal experiences of both the congressmen and constituents regarding Israel. During the 1976 surveys, it became apparent that practically any experience was likely to be "more" positive. Either it involved exposure to the European Jewish persecution in World War II, the early trials and tribulations of the nation of Israel or visits to Israel (sponsored by pro-Israeli advocates and excluding any examination of the Arab point of view).<sup>43</sup> In the case of little or no personal experience, most were positive regarding aid to Israel (due to the "underdog" syndrome, if nothing else). In general, then, it becomes more clear that the Jewish lobby earlier discussed is not the source of the strength it represents. The source is the widespread, politically-active and concerned constituency. The primary contributions of the lobby groups are their extremely well-organized and effective means of communication and mobilization.

In discussions of why or how success is achieved in any venture, the measure of resistance present is needed as a consideration. During the course of Dr. Feuerwerger's study, there was no group or combination of groups found that generated "any successful countervailing force to combat

the factors that favored aid to Israel."<sup>44</sup> Those groups that could be identified as opposed to Israel included; (1) anti-Zionist Jews, (2) former American diplomats who had served in the Arab Middle East, (3) some corporations with major interests in Arab nations, and (4) Arab-Americans. The anti-Zionists Jews represented a small, poorly-organized and quiet group, the diplomats had little if any political influence, the few corporations involved did not do their major communicating through the Congress, and Arab-Americans were more concerned about being accepted into the American society than arguing about their old "homeland."<sup>45</sup>

#### TRENDS AND CHANGES IN CIRCUMSTANCE BETWEEN THE US AND ISRAEL WITHIN THE PAST FEW YEARS

Relative to the development of relationships and the evolution of history as discussed thus far, the occurrences of the past five years have been exceptionally complex and dynamic. Some of the trends most significant to the general topic are reviewed here.

Much has been said in both the public media and in my interviews regarding the value of our alliance with Israel as it pertains to "keeping the Soviets out of the Middle East. While it is true that since the Middle East War of 1973, the Soviet position in the region has deteriorated visibly, it does not appear to be the case that Israel was much of a causal factor. The United States, with Secretary of State Kissinger mediating, conducted wide-spread, multi-party negotiations designed to help stabilize the area by reducing some of the threat on Israel's borders and easing pressure on the Arabs by negotiating disengagement agreements and Israeli withdrawal from some occupied territory. These were conducted in step-action or stages and were important because they led to at last a temporary cessation of hostilities and spot-lighted the US as the prime peacemaker in

the conflict. Also, throughout this period it became more and more clear that the US was willing to provide multi-faceted aid as incentives toward peace while the Soviets offered little other than arms. While the US approach was winning friends in the Arab world, Soviets actions led to a reduction of their regional status. Faced with a war between two of their friends, Somalia and Ethiopia, they chose to side with non-Arab Ethiopia against the wishes of the Arab community.

The Carter administration initiated several changes of historical impact. The Soviets had earlier favored a move away from step-by-step diplomacy (possibly because of all the pro-US visibility Secretary Kissinger gained for the US) and had also strongly favored a Palestinian state represented by the Palestine Liberation Organization (PLO). The US not only agreed to go along the lines of a Geneva Convention approach toward a general solution to the problem but President Carter addressed the idea of a Palestinian "homeland" in March 1977. This shook severely the here-to-fore workable relationship between Israel and the US. On the other hand, it increased US favor among the Arabs by the US appearing to become more even-handed and concerned about all region inhabitants rather than Israel alone.

The election in Israel of Menachem Begin and the Likud party combined with the changes injected by the Carter administration to create further difficulties.<sup>46</sup> Prime Minister Begin immediately and clearly referred to the occupied territories of Gaza and the West Bank as "liberated" vice "occupied" and made it clear for the first of many times that Israel's existence there was not temporary.<sup>47</sup> This stance provided valuable anti-US propaganda for the Soviets in their drive to regain lost influence among the Arab nations. Instead, the persistence of the US in trying to resolve the region-wide conflict which centers around the Palestinians' rights and

Israeli settlements appeared to initially be a very positive aspect in US-Arab relationship. Since this is still a central issue and since the Israelis are still building settlements<sup>48</sup> in spite of the desires/feelings of most of the remainder of the world,<sup>49</sup> this became an even bigger point of severe strain in US-Israel relations. It not only impeded a general improvement in regional conditions but also affected adversely the US-Arab relationship, as the US provides massive aid to Israel which in Arab eyes was interpreted as support for Israel's policies.

One other example worthy of brief mention is the tremendous anti-US propaganda afforded the Soviets when the Israelis conducted their latest invasion of Lebanon. Even though the Israelis had exacted a fierce toll on the Soviet-provided weapons of the Syrians, any derived benefit was more than offset by the adverse international effect of the Lebanon massacres. Additional advantage was afforded the Soviets by the removal of international focus and concern upon Afghanistan.

The points to be considered here are that while Israel is certainly not pro-Soviet, Israel has not been overly helpful in furthering the US peace movements lately, many of their actions have aided the Soviet position, and most of their actions have cost the US heavily. Several recent interviewees voluntarily remarked that relations with Israel have become markedly more difficult since Begin was first elected and especially when Sharon was Israeli Minister of Defense. A related opinion often given was that both Begin and Sharon were far more militaristic than necessary and that both of them failed to perceive and respond to changes in the situation that could have led to region-wide stability without loss to Israel.

As was mentioned earlier, the Carter administration attempted to move away from step-by-step diplomacy and into large problem solutions involving many participants and larger commitments. It was also during this period

in the evolution of our Middle East involvement that concessions began to grow toward staggering proportions in this small region. Words like "linkage" began to take on special meaning. We saw earlier how our aid figures to Israel increased drastically after the 1973 Middle East War. Interestingly, like taxes, it seems that once a specific aid level is provided as "general assistance" (as opposed to "special" compensation, as for airfields Israel gave up in the Sinai and the US helped rebuild in Israel), that level becomes a precedent and any idea of reduction brings with it the stigma of "punishment" or "bad signal." To give less means we care less, apparently. Even during that period of years when the total aid to Israel didn't increase, the grant/loan ratio changed often, always toward more grant and less loan. In the cases of FY81 and FY82, both years were represented by higher total aid to Israel than FY80 and both years had 100 percent grant economic support funding where FY80 had 2/3 grant and 1/3 loan. As the Egypt-Israel peace negotiations developed, concessions to Egypt reflected consideration that Egypt had gone far out on a diplomatic limb and departed the Arab camp to pursue peace with Israel. They also had to consider the just previous break in relations between Egypt and the USSR. Consequently, aid to Egypt had to be of both the economic development and military equipment types and it had to be sizable for obvious diplomatic reasons.

While we, the US, see these steps as adding stability and reducing the threat to Israel's security (one of our original goals), Israel sees this and other arms sales in the region (e.g., Saudi Arabia) as a major increase in the threat and, therefore, a basis for an increase in our aid to them. Resistance to the demands for increased aid brings about the political dangers already discussed plus a new twist. . . . Congressional increases to the administrations annual request for aid to Israel. The resultant

problem is becoming one of debt servicing. Because the US loans are very concessional (3 percent for 30 years with a grace period to start), relatively little has been paid back on the principal loaned to Israel thus far. Each year will bring a larger gap between what we give them and, what they must have to pay us unless, obviously, we increase our gift to them to allow them to repay us! (That very solution was proposed by a United States Senator but it wasn't approved.) Other possibilities are to make the loans even more concessional and/or forgive more of the debt.<sup>50</sup> In September of 1982, one well-known poll revealed:

Just as the Israeli invasion of Lebanon . . . resulted in a marked drop in American sympathies for Israel, so, too, has the image of that nation's Prime Minister. . . . In an August survey, 47 percent of Americans expressed a favorable opinion of the Israeli Prime Minister, down five percentage points from a June 1982 measurement of 52 percent favorable. . . . More importantly, the proportion expressing unfavorable opinion rose from June to August, moving from 34 percent to 44 percent.<sup>51</sup>

In the same poll, when asked what they thought this country's most important problem to be, the answers in priority sequence were unemployment (45%), inflation (23%), the general economy (16%) and high interest rates (8%).<sup>52</sup> Probably due to indications of this type, one traditionally pro-Israel Congressman stated that due to the economic conditions in the US, there was reason to "anticipate the possibility for the first time in several years that there may be an effort . . . to significantly reduce the level of aid for Israel." When asked what, in his opinion, the result of that would be, a very senior Assistant Secretary of State replied that ". . . it would be a bad signal in terms of the American-Israeli relationship."<sup>53</sup>

A closely related source of possibly great potential disconnect between the American constituency and Israel regards the "welfare state" approach taken to such a great extent by the Begin government. Time and again in the international media, comment has been made that Israel's economic

policies are disastrous and that, Mr. Begin has no knowledge or concern regarding the national economy because he knows that the Diaspora and the United States will not allow Israel's economy to fall. One of the more significant and often given reasons for this socialist approach is that subsidization is necessary in order to attract immigrants which, in term, are needed to eventually generate a self-sustaining Israel. In a 1979 article which reviewed Mr. Begin and the Likud party's first two years in power, the prediction was made that if elections were to be held at the point of the writing, poor economic policy and performance would give the opposition party a "better than even chance" of return to power.<sup>54</sup> One of the reasons stated is that when the government went to a free-market economy approach for its external policy, it failed to institute a tight fiscal policy internally. The article mentions a 110 percent unofficial inflation rate anticipated for 1979. (The actual inflation rate for 1981 approached 130 percent. Earlier, the Begin government had suggested that the economy would be strong enough so as to need much less American support by 1984.) The "paradox" presented by the Israeli economy was that even with very high inflation, devalued currency, a larger balance of payments deficit and imports over exports by more than two to one, the country gives the appearance of economic boom. The article quotes a prominent Israeli banker as saying "the public doesn't pay the price of inflation. The United States and Jewish people around the world do that."<sup>55</sup> The article goes on to cite various examples of how the "welfare state" approach is both a major portion of the Israeli psychology and a major contribution to national woes. Specifically cited were high consumerism (new auto and color TV sales), subsidization of many businesses and, in many cases, outright government support of failing business in order to maintain employment. A key statement is



no non-communist nation in the world has become as involved in the national economy as has Israel, which views itself as both employer and guarantor of a minimum standard of living.<sup>56</sup>

Within the past few years a new twist or facet of the problem has begun to emerge. That problem is centered around the "fungibility" or non-accountability of US funds that go to Israel. Specifically, it has been brought much more to the surface and the light of day by the greatly increased media presense in the region. One 1982 analysis deals with the history of "fungibility" in Israel and states "... even nominal constraints introduced by a grant or subsidy may be practically impossible to observe."<sup>57</sup> A very simple example involves the provision of US arms to Israel while Israel sells arms of her own manufacture to a third nation, then uses the proceeds of her own arms sales for whatever she wants. The analysis concluded that Israel actually plans ESF into their budget planning and treats most of ESF as fungible. (We had earlier stated that none of ESF is accountable so it is all fungible!) The analysis also concluded that approximately 60 percent of US ESF would be allocated to economic support which shows up as tax relief for the local economy while as much as 23 percent of the military support funding may also be fungible<sup>58</sup> and end up spent somewhere other than expected (or desired). The aspects of tax relief (reduction of austerity measures there while there is economic hardship here) and fungibility (if they need our economic support to survive, how can they subsidize West Bank settlements?) are beginning to draw daily attention to the US constituency. A 1982 essay by Efraim Targovnik cites a lack of priority given to domestic programs, the early marriage of Zionism and socialism which made the welfare state more or less a "given" and the national obsession with foreign and security policy as the reasons for the economic difficulties. Two other interesting observations are that current Finance Minister Aridor has increased expenditures for subsidies and that child

allowances continue to be paid to parents regardless of their income.<sup>59</sup> Also discussed are the reduction of customs duties and sales taxes on expensive consumer items such as appliances and automobiles. Another major subsidy item discussed in detail is Israel's national belief in the provision of national health care. Their argument is not whether to do it but through which government agency . . .<sup>60</sup> all this at a time when many comparable funds and services were being reduced in the US.

Another consideration in this group of recent trends has to do with the continuing "creativity" of Israeli requests regarding US aid. First, as noted at the beginning of this paper, US aid to Israel was minimal prior FY71 when it jumped to \$634.3 million. The next jump occurred in FY74 to \$2.634 billion with \$1.5 billion forgiven. In FY75, ESF went from \$50 million for the three previous years to \$324.5 million--all grant with 1/3 of that years FMS also forgiven. From FY76-FY80 the basic formula was ESF 2/3 grant and 1/3 loan and FMS 1/2 loan and 1/2 forgiven. FY81 and 82 have had ESF 100 percent grant and FMS approximately 60 percent credits and 37-40 percent forgiven. In 1983, new requests were made by Israel to be given their entire ESF grant in lump sum at the beginning of the year rather than in quarterly installments, as previously done.<sup>61</sup> If eventually approved, the cost to the US would be very significant since the US would have to bear the interest expense. This is similarly the case with their requests to have their "forgiven" funds earlier and the funds for which they owe payment last. This evolution is beginning to appear from year to year, like quicksand into which the US is being drawn without corresponding "stability effort" on the part of Israel. The argument is that if we don't continue this process, Israel might feel more insecure and become more threatening.<sup>62</sup> Since our foreign aid amounts and procedures are taken as direct reflections of our "level of concern" to other countries, the aid

provided to Israel is seen relative to the aid provided to our other friends in the region. At the current level, we run very high risks of insulting many others because popular or Congressional support for comparable amounts to several other countries and Israel is most unlikely!

The final area of recently heightened criticality has to do with the Israeli-Palestinian relationships. We have already covered, to an extent, Prime Minister Begin's position regarding Israel's "right" to be in the occupied territories and how their presence there is permanent vice temporary. Now we need to consider the "democratic, like us" aspect of the Israeli government's actions and long-term effects most likely to occur. Regarding the obvious effect of the Israeli settlement policies upon the peace agreement with Egypt and the United States, the greater long-term effect might very well have to do with the memories and determination of the Palestinians who are currently being affected by these settlements. Hardly a day goes by that the international media doesn't carry another story regarding conflict between the Israelis and the resident Palestinians. Examples include expulsion of elected mayors, pursuit and shooting of rock-throwing teenagers, dividing of villages into "security zones" and not allowing residents to cross from one section to another, the free practice of "reconnaissance by fire" and general harassment of the Palestinians. Interviews with multiple officers who formerly served with the "Multi-National Force and Observers" (MFO) revealed that while each of those officers began his tour there very pro-Israel, observation of Israeli policies toward the Arabs caused each of these officers to become pro-Arab before tour completion. While there are hundreds of specifics available in public data, the point to draw is that the actions of the Israelis regarding treatment of their Arab workers in their cities, regarding Arab residents of the occupied territories, and regarding their own credibility in

negotiation with their Arab neighbor nations have done very little for the improvement of the situation. In years to come, when the Arab children of today grow up, their memories of Israeli heavy-handedness will quite possibly resemble those memories that today's older Israelis have of the Nazis of the 1940s. As long as such undemocratic, insensitive actions continue, "shuttle diplomacy" and financial concessions have very little chance of achieving any long-term program toward regional stability.

### CONCLUSIONS

After all these travels through the various facets of the US-Israel relationship, how is any of this related to US national security and what can be done to improve the situation?

First off, when 2-3 percent of the population (the Jewish portion of the US population) can, through simple organization and concern, focus their efforts and support to achieve a completely out of proportion amount of US aid going to one small area, the national participation level and, therefore, public awareness and cohesiveness/security are in question. Regardless of our national economic status, we owe it to ourselves and to those nations of lesser resources to ensure that our national strategy is global in scope and that we prioritize each region. Further, we must stop fooling ourselves with the idea that there should be no "strings" on our aid. We must clearly develop and state regional goals and ensure that while we might not expect our sponsorees to exactly "do our bidding," we certainly should never continue to finance the actions of any nation which actively goes against our national desires. In conjunction with this principle, we should insist on a clear agreement as to conditions and restrictions regarding the use of our aid and what types of actions will cause the cessation of aid. Aid agreements that are not monitored with regard to US

regional goals and regional circumstance must become a thing of the past. We must not allow fungibility of funds result in tax relief instead of austerity measures for others while Americans are undergoing economic hardships such as were present in the US in 1982. The point is not that others should suffer instead of us. Rather, it is that the US citizenry will eventually discover inequities and will react rapidly, giving the impression of a major policy change! An exceptional example is this nation's response to US-Vietnam policies and activities once the populace discovered what had really been going on. As a result of this delayed reaction, the recipient is led further along the path or out on a limb, then cut off! Both sides are more effectively served by well-planned, well spelled-out agreements before aid starts and clear communications from that point on. It would seem reasonable that an honest, responsible, straight forward statement of our position would preclude the need for the concern for "signals."

The final conclusion relates again to the problem addressed first, that of needed awareness and participation by a much larger portion of the constituency than is currently the norm. We badly need a national agreement and system, involving both the media and the Congress, with the primary purpose of honestly keeping the public informed! These final three quotations are most applicable.

Eugene B. Borowitz, Professor of Education and Jewish Religious Thought at The New York School of Hebrew Union College--Jewish Institute of Religion and founder and editor of Sh'ma, a Journal of Jewish Responsibility, has written:

And we surely cannot expect our American Jewish lobbying groups to now start discriminating as to which issues they will or won't put their/our full weight behind. They exist to carry the fight for the State of Israel and have no independent basis upon which to evaluate or resist its demands upon us. Similarly, most of

our American Jewish organizations are by now such hostages to the State of Israel that they can only hesitantly be expected to face such serious questions as now need to be raised. Sh'ma, December 25, 1981.

Simha Flapan, founder and for twenty-four years editor of the Israeli monthly New Outlook, has many times commented, as he did in a conference in Washington, DC in October 1979:

Washington is the decision-making center, but it is in the US, where decisions are often influenced by public pressure, that the public is least informed and often mis-informed by propaganda lobbies who, milking fears and mistrust, stir passions with half-truths and distorted images. The deep commitment of the American Jewish community to Israel's security is not accompanied by sufficient knowledge of the situation in Israel. The leaders of the Jewish community are 'conditioned' to support without reservation whatever the Israeli government proscribes as necessary for 'survival.' They disregard the fact that a growing number of Israelis criticize the use of 'security and survival' arguments for policies motivated by narrow-minded, nationalistic, and expansionist aims. While open debate and pluralism are characteristic of Israeli political life, the organized Jewish community in the US has reduced itself to the role of a rubber stamp for one political school in Israel, represented by an unstable and failing government coalition. This is best demonstrated by the American Jewish attitude toward the Palestinian problem--the most crucial issue in the Israeli-Arab conflict. The prejudice of American Jewry has become the major obstacle to an American-Palestinian and Israeli-Palestinian dialogue, without which there is little chance to move forward in the difficult and involved peace process.<sup>63</sup>

After considering the old story that the legislator's first duty is to get re-elected, Senator Charles Mc. Mathias said,

it is a compelling but insufficient formula. An elected representative has other duties as well--to formulate and explain to the best of his or her ability the general interest, and to be prepared to accept the political consequences of having done so.<sup>64</sup>

Of equal or greater importance, a much larger percentage of taxpayers and voters must realize and exercise the responsibility to question and direct our elected officials if we are ever to expect more representative government policies. If we continue to imply our support by the lack of our active disagreement, when appropriate, we will only perpetuate the

problem of having the desires of a few lead to national actions that have the implied support of the nation, sometimes at the cost of other considerations more valuable to the nation.

#### ENDNOTES

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6. Facts on File, Vol. 43, No. 2206, 25 February 1983, p. 128F.
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8. From War to War, Nadan Safran, 1969.
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15. Mathias, pp. 992-993.
16. Friedman, p. 39.
17. William J. Lonquette, "The Many Faces of the Jewish Lobby in America," National Journal, 13 May 1978, p. 750.
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21. Figures from Department of State-Public Records.
22. International Security and Economic Cooperation Program, Fiscal Year 1983, US Department of State, 2 March 1982.
23. Ibid., pp. Crs-6.
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25. I have reviewed Dr. Feuerwerger's study findings and, due to time and scope constraints, used some of his points as "update" questions in interviewing key players in the Washington arena. My interviews were with present and former congressmen, senior staff members of both personal and committee staff, former cabinet members, current State and Defense department representatives, members of the military services who have been deeply involved with the Middle East conflicts, and recognized scholars of the subject. I, like Dr. Feuerwerger, found a tremendous reluctance among members of the military and the Congress, their staffs, or committee/sub-committee staffs to officially involve themselves with this politically sensitive subject. In order to achieve cooperative, candid interviews, I had to promise complete non-attribution. Although the volume of my sampling was restricted by time available, I feel it to have been sufficient to accurately indicate some significant mood changes since previous studies. Where applicable, I have amended the findings of the earlier study to show today's opinions or indications as gained from my interviews. The latest example of congressional appropriation exceeding administration request occurred in the 1983 budget where Congress provided more than \$300 million more than requested. This was accomplished primarily through loan forgiveness and the changing of loans to grants.
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30. Ibid., p. 33.
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32. Ibid., p. 77.
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35. "The Use of US Supplied Military Equipment in Lebanon," Hearings before the Committee on Foreign Affairs, 15 July and 4 August 1982, p. 4 f.
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